

May 2, 2012

Honorable Rob Handy
Lane County Commissioner
Lane County Public Service Building
125 East 8th Avenue
Eugene, OR 97401

Hand Delivered

Re: Response to Letter / Notice of Complaints

Dear Commissioner Handy,

You recently sent a letter to John H. Brown requesting a campaign contribution or a \$3,000 payment to Lane County for your personal benefit. This caused Mr. Brown concern. He has asked me to represent him in connection with your request.

Your letter and related information have been reviewed to determine whether the letter and associated actions could potentially expose Mr. Brown or Lane County to liability. It is my opinion that your solicitation of \$3,000 from Mr. Brown and receipt of funds for personal benefit from other sources may violate various provisions of Oregon law. Please be advised that Mr. Brown will make no payment to you and that Mr. Brown intends to forward this letter to the Oregon Government Ethics Commission, Oregon Secretary of State and Lane County Counsel/District Attorney for investigation.

Oregon Ethics Law

Use of Public Office for Private Financial Gain. In my opinion, your letter, attached as **Exhibit A**, is a prohibited “attempt to use official position or office to obtain financial gain or avoidance” that “would not otherwise be available but for the public official’s holding of the official position or office.” *See*, ORS 244.040(1).

Your letter asks Mr. Brown to make a \$3,000 payment to Lane County for the purpose of paying a “personal debt” to Lane County that you “incurred in public service.” The letter characterizes your personal debt to Lane County as a sacrifice resulting from service in your official position. In addition, your letter is timed in close proximity to an upcoming election and simultaneously requests a contribution to your “reelection campaign” – further emphasizing the connection between your request and your status and power as a public official.

Oregon ethics law prohibits public officials from using or attempting to use their official positions for private financial gain or avoidance of financial detriment. You are required to comply with Oregon’s

ethics laws because you are a public official and a candidate for public office. ORS 244.020(4)¹ and ORS 244.020(14).²

The prohibition on using official position for private financial gain is set forth in ORS 244.040(1), which provides in relevant part as follows:

...a public official **may not use or attempt to use official position or office to obtain financial gain or avoidance of financial detriment for the public official**, a relative or member of the household of the public official, or any business with which the public official or a relative or member of the household of the public official is associated, **if the financial gain or avoidance of financial detriment would not otherwise be available but for the public official's holding of the official position or office** (emphasis added).

By seeking a personal financial benefit, and explicitly and implicitly connecting your request for this financial benefit to your official position, it appears you are seeking to use your official position to obtain financial benefits that would not otherwise be available. Therefore, it is my opinion that your letter violates ORS 244.040(1).

Additionally, the information contained in **Exhibit B** indicates that Lane County has received other payments for your personal benefit, which are similar in nature to the \$3,000 payment you requested from Mr. Brown. This information indicates that additional investigation is warranted to determine whether you have committed other violations of ORS 244.040(1).

Solicitation of Gift Exceeding \$50 Limit. In my opinion, you have also violated the \$50 gift limitation of ORS 244.025 by sending Mr. Brown a letter soliciting a \$3,000 gift. Oregon ethics law prohibits public officials and candidates from soliciting or receiving gifts exceeding \$50 from any source that could reasonably be known to have a legislative or administrative interest. Your letter appears to violate this prohibition.

Oregon's gift limitation is specifically set forth in ORS 244.025, which provides as follows:

244.025 Gift limit. (1) During a calendar year, **a public official**, a candidate or a relative or member of the household of the public official or candidate **may not solicit or receive**, directly or indirectly, **any gift or gifts with an aggregate value in excess of \$50 from any single source that could reasonably be known to have a legislative or administrative interest** (emphasis added).

(2) During a calendar year, a person who has a legislative or administrative interest may not offer to the public official or a relative or member of the household of the public official any gift or gifts with an aggregate value in excess of \$50.

(3) During a calendar year, a person who has a legislative or administrative interest may not offer to the candidate or a relative or member of the household of the candidate any gift or gifts with an aggregate value in excess of \$50.

¹ "Candidate" means an individual for whom a declaration of candidacy, nominating petition or certificate of nomination to public office has been filed or whose name is printed on a ballot or is expected to be or has been presented, with the individual's consent, for nomination or election to public office. ORS 244.020(4).

² "Public official" means any person who, when an alleged violation of this chapter occurs, is serving the State of Oregon or any of its political subdivisions or any other public body as defined in ORS 174.109 as an elected official, appointed official, employee or agent, irrespective of whether the person is compensated for the services. ORS 244.020(14).

(4) This section does not apply to public officials subject to the Oregon Code of Judicial Conduct. [2007 c.877 §18; 2009 c.68 §3]

The application of the \$50 gift limitation to a particular set of circumstances depends, in part, on whether the circumstances involve soliciting, receiving or offering a “gift.” In this regard, Oregon ethics law generally defines a “gift” as follows:

ORS 244.020(6)(a) “Gift” means something of economic value given to a public official, a candidate or a relative or member of the household of the public official or candidate:

(A) Without valuable consideration of equivalent value, including the full or partial forgiveness of indebtedness, which is not extended to others who are not public officials or candidates or the relatives or members of the household of public officials or candidates on the same terms and conditions; or

(B) For valuable consideration less than that required from others who are not public officials or candidates.

The application of the \$50 gift limitation also depends on whether the “gift” at issue is solicited from a person that could reasonably be known to have a “legislative or administrative interest.” *See*, ORS 244.025(1). In this regard, ORS 244.020(9) defines “legislative or administrative interest” as follows:

“Legislative or administrative interest” means an economic interest, distinct from that of the general public, in:

(a) Any matter subject to the decision or vote of the public official acting in the public official’s capacity as a public official; or

(b) Any matter that would be subject to the decision or vote of the candidate who, if elected, would be acting in the capacity of a public official.

Your letter to Mr. Brown solicits a “gift” within the meaning of ORS 244.020(6)(a). The letter requests a \$3,000 payment without consideration of equivalent value being provided in return. In addition, it is clear from the circumstances that the requested \$3,000 payment would be exclusively for your personal benefit and would not be made available to other persons who are not public officials on the same terms or conditions. Finally, it does not appear that any of the exceptions to the general definition of gift, which are set forth in ORS 244.020(6)(b), are applicable or serve to remove the payment you solicited from the general definition of “gift” set out above. Therefore, it appears appropriate to conclude that your letter solicits a “gift” within the meaning of ORS 255.020(6)(a).

It is also appropriate to conclude that your letter solicits a gift in excess of \$50 from a person who may “reasonably be known to have a legislative or administrative interest.” ORS 244.025(1) and ORS 244.020(9). As a prominent local realtor, Mr. Brown appears before the Lane County Board of Commissioners on a variety of matters that impact his financial interests and those of his clients. In fact, Mr. Brown testified before the Lane County Board of Commissioners regarding real property tax matters as recently as May 18, 2011. You attended that meeting. Therefore, it is appropriate to conclude that you are aware that Mr. Brown has legislative or administrative interests distinct from the general public in matters coming before the Lane County Board of Commissioners.

In my opinion, you have violated the \$50 gift limitation of ORS 244.025 by sending Mr. Brown a letter soliciting a \$3,000 gift. In addition, the information attached as **Exhibit B** indicates that Lane County has recently received a \$1,000 payment and \$2,000 payment for your benefit from persons other than

Mr. Brown. As these two payments are similar in nature to the payment you requested from Mr. Brown, it appears that investigation by the Oregon Government Ethics Commission is warranted to determine whether these two payments violate the \$50 gift limit of ORS 244.025.

Oregon Campaign Finance Law

Improper Use of Donated Funds. The \$3,000 transaction proposed in your letter also appears to violate Oregon campaign finance law. Your letter to Mr. Brown requests a \$3,000 payment to Lane County for the purpose of reducing your personal debt resulting from *Dumdi v. Handy*. Your letter also asserts the requested \$3,000 payment is not subject to campaign reporting guidelines and may be made “confidentially and anonymously.”

ORS 260.407(1)(b)(B) specifically provides that “*funds donated* to the holder of a public office may not be “... used to pay any money award as defined in ORS 18.005 included as part of a judgment in a civil or criminal action...” ORS 18.005 defines “funds donated” to mean “all funds, including but not limited to gifts, loans advances, credits or deposits of money that are donated for the purpose of supporting the activities of a holder of public office....” ORS 260.407(4)(b)(B).

As your letter asks Mr. Brown to deposit \$3,000 with Lane County to reduce your personal debt resulting from *Dumdi v. Handy*, it appears that consummating the transaction proposed in your letter would violate ORS 260.407(1)(b)(B).

Although Mr. Brown does not intend to consummate the transaction you have proposed, the information attached as **Exhibit B** indicates you may have already violated ORS 260.407(4)(b)(B) by using “funds donated” to pay the money award in *Dumdi v. Handy*. In this regard, please be aware that each violation of ORS 260.407(1)(b)(B) is subject to a civil penalty of “\$1,000 plus the amount converted to personal use...” See, ORS 260.995(2)(b).

Public Disclosure of Campaign Contributions. The integrity of our election process is a matter of profound public importance. One of the ways in which our state seeks to ensure that integrity is by requiring all campaign contributions to be publicly disclosed. Your letter and other surrounding circumstances suggest you may be engaged in an effort to circumvent the public disclosure requirements of Oregon campaign finance law in the weeks before an election.

In your letter to Mr. Brown, you assert that payments to reduce your personal debt are not subject to campaign reporting guidelines and may be made “confidentially and anonymously.” Although Mr. Brown will not be making any payment to reduce your personal debt, it appears, as previously stated, that Lane County has already received payments totaling \$3,020 for this purpose from other donors. It appears that these payments were not publicly disclosed in your contribution and expenditure reports filed with the Oregon Secretary of State.

Your failure to include these payments totaling \$3,020 in your campaign finance disclosure reports is highly suspect under the circumstances. Oregon law requires public disclosure of campaign contributions and defines the term “contribution” to include:

*The payment, loan, gift, forgiving of indebtedness, or furnishing without equivalent compensation or consideration, of money ... or any other thing of value: ... [f]or the purpose of ... **reducing the debt of a candidate** for nomination or election to public office **or the debt of a political committee.*** ORS 260.005(3) (emphasis added).

The plain language of ORS 250.005(3) clearly states that Oregon's definition of "contribution" includes payments for the purpose "reducing the debt of a candidate" or the "debt of a political committee." The fact that the statute refers to the "debt of a candidate" separately and in contradistinction from the "debt of a political committee" makes clear the statute applies to payments reducing the personal debt of a candidate, as well as payments reducing the debt of the candidate's political committee.

In this situation, there is no question that Lane County has received payments totaling \$3,020 and that these payments have reduced your personal debt. *See, Exhibit B.*

In addition, there is reason to believe these payments may have also served to reduce the debt of your political committee. For example, the documents attached as **Exhibit B** indicate that Lane County received a \$2,000 check for your benefit on March 14, 2012. The \$2,000 check was dated March 7, 2012. Your campaign finance report indicates that on March 13, 2012, between the date the \$2,000 check was made out and the date it was deposited at Lane County, you reduced the debt of your political committee by forgiving a \$1,000 personal loan. The timing of these transactions suggest the \$2,000 donation to Lane County on March 15, 2012 may have served to reduce the debt of your campaign committee, in addition to your personal debt.

A review of your campaign finance reports raises further questions in regard to whether the payments to Lane County are an attempt to circumvent Oregon's campaign disclosure laws. For example, the same individual who donated \$1,000 to Lane County on April 18, 2012 to reduce your personal debt is reported to have made a \$250.00 contribution to your campaign on April 17th. The timing of these transactions raises questions in regard to whether the \$1,000 donation was actually a disguised campaign contribution.

Similarly, it appears the individual who donated \$2,000 of undisclosed funds to Lane County on March 14, 2012 has provided you with campaign contributions totaling several thousand dollars during previous election cycles. This election cycle, however, your disclosure forms reflect this individual providing \$0 to your campaign – despite the undisclosed \$2,000 payment to Lane County for your personal benefit.

For the reasons set out above, there are real and substantial questions in regard to whether you are engaged in an effort to circumvent the public disclosure requirements of Oregon campaign finance law in the weeks before an election. It therefore appears necessary to turn this matter over to the Oregon Secretary of State for investigation.

Official Misconduct

For the reasons set out above, it appears you may have committed more than one violation of ORS 244.040, ORS 244.025 and/or ORS 260.407. The possibility that you have committed multiple violations of these ethics and campaign finance laws raises the issue of whether you have engaged in Official Misconduct under ORS 166.405 and whether you are engaged in a pattern of racketeering in violation of ORS 166.720(3). *See also*, ORS 166.715(6)(a)(D). Drawing the county into your activities by having it accept payments that appear to violate the law also potentially puts the county at risk during these vulnerable budgetary times. As these issues are potentially misdemeanors/felonies in nature, I am forwarding a copy of this letter, along with the attached materials, to Lane County Counsel/District Attorney for investigation.

A person commits the crime of Official Misconduct if a person “knowingly³ violates any statute relating to the office of the person.” ORS 162.405. The statutes you appear to have violated, ORS 244.040, ORS 244.025 and/or ORS 260.407, are specifically aimed at the conduct of public officials. Therefore, knowingly violating these statutes may constitute the crime of Official Misconduct.

This issue of Official Misconduct raises the issue of whether you are engaged in a pattern of illegal activity in violation of ORS 166.720(3). This statute provides as follows:

It is unlawful for any person employed by, or associated with, any enterprise to conduct or participate, directly or indirectly, in such enterprise through a pattern of racketeering activity or the collection of an unlawful debt. ORS 166.720(3).

To appreciate the conduct that ORS 166.720(3) prohibits, it is important to understand that ORS 166.715(4) defines a “pattern of racketeering activity” in relevant part as follows:

...engaging in at least two incidents of racketeering activity that have the same or similar intents, results, accomplices, victim or methods of commission or are otherwise interrelated by distinguishing characteristics including a nexus to the same enterprise, are not isolated incidents...

It is also important to understand that “racketeering activity” is defined as “any conduct that constitutes a crime” under a number of different criminal statutes. ORS 166.715(6)(a). The crimes listed in ORS 166.715(6)(a) are commonly referred to as “predicate racketeering offenses.”

Official Misconduct is one of the crimes categorized as a predicate racketeering offense. ORS 166.715(6)(a)(D). Therefore, if you have engaged in two or more interrelated incidents of Official Misconduct, which have a nexus to a common “enterprise,” you may be engaged in a pattern of racketeering.

In this regard, Oregon’s racketeering statutes define an “enterprise” in the following terms:

...any individual, sole proprietorship, partnership, corporation, business trust or other profit or nonprofit legal entity, and includes any union, association or group of individuals associated in fact although not a legal entity, and both illicit and licit enterprises and governmental and nongovernmental entities. ORS 166.715(2).

As may be seen, the statutory definition of enterprise expressly extends to governmental entities. *See also, State v. Gleason*, 141 Or. App. 485, 489-91, 919 P.2d 1184, 1186-88 (1996). Lane County is a governmental entity that has collected funds for your personal benefit in apparent violation of ORS 244.040, ORS 244.025 and/or ORS 260.407. If you have indeed committed multiple violations of these ethics and campaign finance statutes, and these violations constitute multiple interrelated incidents of Official Misconduct, it appears that these interrelated incidents of Official Misconduct were accomplished by involving the enterprise of Lane County, unwittingly, in the scheme.

³ (8) “Knowingly” or “with knowledge,” when used with respect to conduct or to a circumstance described by a statute defining an offense, means that a person acts with an awareness that the conduct of the person is of a nature so described or that a circumstance so described exists. Or. Rev. Stat. Ann. § 161.085 (West)

In summary, the reason the Lane County District Attorney is being asked to investigate these matters is that Oregon law makes it “unlawful for any person employed by, or associated with, any enterprise to conduct or participate, directly or indirectly, in such enterprise through a pattern of racketeering activity....” ORS 166.720(3). For the reasons previously discussed, it appears you may have committed multiple violations of ORS 244.040, ORS 244.020 and/or ORS 260.407 by improperly soliciting and receiving funds for your personal benefit through Lane County. As these multiple violations of Oregon’s ethics and campaign finance laws may constitute multiple incidents of Official Misconduct and appear to have involved the enterprise of Lane County, it is necessary for the Lane County District Attorney to investigate whether you have committed Official Misconduct or are engaged in a pattern of racketeering activity in violation of ORS 166.720(3).

Conclusion

Mr. Brown does not appreciate your efforts to involve him in financial dealings that are contrary to the public interest and appear to violate Oregon law. For the reasons discussed above, Mr. Brown will not be making the \$3,000 payment you have requested and will be forwarding a copy of this letter, including all attachments, to the Oregon Government Ethics Commission, Oregon Secretary of State and Lane County District Attorney for investigation. You may want to contact an attorney to advise you on these matters.

Sincerely yours,

/s/ Alan J. Thayer, Jr.

Alan J. Thayer, Jr.
Business Attorney

AJT:sh

Enclosures

cc(via email): Alex Gardner, Lane County Counsel/District Attorney
Kate Brown, Oregon Secretary of State
Steve Trout, Elections Director, Oregon Secretary of State
Oregon Government Ethics Commission

John

Thanks for considering
making a contribution to
my ReElection Campaign.

Most of all, thanks for
considering my request to
pay off \$3,000.00 of my
debt to Lane County,
incurred in public
service — that became
a \$20,000.00 settlement
ramification for the
unfair result of the
lawsuit.

As you may recall from
my talk, this is a personal
debt I owe Lane County.
It's not subject to campaign
reporting guidelines. Thus, you
can make a donation
confidentially and anonymously if
you like. You can make
out a cashiers check and
mail it/drop it off at Lane
County — or send it to me
at my home address, and
I can take it down there
and submit it anonymously.

My home mailing address is:

→ 455 1/2 River Rd.
Eugene OR 97401

Or, if you prefer I come
by, and pick up a check,
that is good, too.

Here's the particulars on
what a check to help
pay off my debt would
include:-

Payable to: Lane County
→ Accounts Receivable

Reference:

ARO997 to Rob Handy

John Thanks with
you kindness and
help with this. My
family and I knew we
would be making sacrifices
for me to serve in
this position and I knew
and understood that I
would absorb constant
pounding and criticism
— but this personal
debt due to political
decisions not to appeal
the lawsuit, has been a
bit much.

Thanks John, and let me
know if there is any other
info. I can provide.

John

[REDACTED]

Accounts Receivable at 4/24/2012

Commissioner Rob Handy

2011-05-03	20,000.00	Beginning balance
2011-05-06	(250.00)	Payroll deduction
2011-05-09	(1,000.00)	Rob Handy down payment
2011-05-20	(250.00)	Payroll deduction
2011-06-03	(250.00)	Payroll deduction
2011-06-17	(250.00)	Payroll deduction
2011-07-05	(250.00)	Payroll deduction
2011-07-15	(250.00)	Payroll deduction
2011-08-26	(250.00)	Payroll deduction
2011-08-26	(250.00)	Payroll deduction
2011-08-26	(20.00)	Citizen
2011-09-16	(250.00)	Payroll deduction
2011-09-30	(250.00)	Payroll deduction
2011-10-07	(250.00)	Payroll deduction
2011-10-28	(250.00)	Payroll deduction
2011-11-10	(250.00)	Payroll deduction
2011-11-23	(250.00)	Payroll deduction
2011-12-09	(250.00)	Payroll deduction
2011-12-16	(250.00)	Payroll deduction
2012-01-13	(250.00)	Payroll deduction
2012-02-02	(250.00)	Payroll deduction
2012-03-09	(250.00)	Payroll deduction
2012-03-15	(2,000.00)	Citizen
2012-03-23	(250.00)	Payroll deduction
2012-04-06	(250.00)	Payroll deduction
2012-04-18	(1,000.00)	Citizen
2012-04-24	(250.00)	Payroll deduction
	<u>10,480.00</u>	

LANE COUNTY, OREGON

EUGENE, OREGON

NON-CASH
TOTAL

Date 7/1/79

\$ _____

Received from Handy

CASH AMT. \$ 20.00

10.00

10.00

TOTAL CASH 30.00

CASH TURNOVER AGREED TO

7/1/79

Handy



Donation
to Handy
Deposited 8/24/79
1900125422

AR 142450

mix w another from LEC TOTAL AR: 60,152.96

3/15/2012

2,000-
Payment

Dep ID: 1003

TOPS FORM 48808

DATE 3-14-12 NO. 749090

RECEIVED FROM Kristine + Tom Bowerman

ADDRESS RE: Rob Handy

AR - Toward DOLLARS \$ 2000-

☐ FOR RENT ☐ FOR

ACCOUNT		HOW PAID	
AMT. OF ACCOUNT		CASH	
AMT. PAID		CHECK	<u>Q</u>
BALANCE DUE		MONEY ORDER	

BY BT

KRISTINE BOWERMAN
TOM BOWERMAN
33707 MCKENZIE VIEW
EUGENE, OR 97408

2208
95-7444/222-01

March 7, 2012
Pay to the Order of Lane County Art Preserve #40497 \$ 2000-

For Lane County Art Preserve

PO Box 7487
Eugene, OR 97401
800-445-4483

SELCO
COMMUNITY CREDIT UNION

For Lane County Art Preserve

2208

AR
Toward

JOHN V. ALLCOTT III, M.D.
P.O. BOX 819 PH. [REDACTED]
VENETA, OR 97487

3292
24-201/1230
65

April 18, 2012
Date

Pay to the Order of LANE County Air's PAYABLE \$ 1,000.00
one thousand dollars and 00/100 Dollars

KeyBank National Association
Veneta, Oregon 97487
1-800-MEY2YOU Key.com

For Rob Henry AIR 0497 AR 0497
REFERENCE AR 0497

1230020111 3292

AR 143700
4.18.2012
Dep ID: 1031

FORM 48008

RECEIVED FROM John Allcott III MD NO. 749144
ADDRESS P.O. Box 819
Veneta OR 97487 DOLLARS \$ 1,000.00

☐ FOR RENT
☒ FOR Rob Henry AIR 0497

ACCOUNT		HOW PAID	
AMT. OF ACCOUNT		CASH	
AMT. PAID		CHECK	1000 00
BALANCE DUE		MONEY ORDER	

BY Michael [Signature]

FILED
AT 11 O'CLOCK A M
APR 13 2011
Circuit Court For Lane County, Oregon
BY JR

IN THE CIRCUIT COURT OF THE STATE OF OREGON
FOR THE COUNTY OF LANE

ELEANOR S. DUMDI, an individual,
EDWARD M. ANDERSON, an individual,

Plaintiffs,

v.

ROB HANDY, an individual, PETER
SORENSEN, an individual, BILL FLEENOR,
an individual, and LANE COUNTY BOARD
OF COMMISSIONERS, a governing body of
Lane County Oregon,

Defendants.

Case No. 16-10-02760
Honorable Michael Gillespie

STIPULATED GENERAL JUDGMENT

THIS MATTER came on for trial on December 8, 9 and 10, 2010, and previously came before the Court on motions for summary judgment on October 15 and December 2, 2010. This Court issued its Findings of Fact and Conclusions of Law on January 14, 2011 (filed January 18, 2011). Based on the Court's findings and the parties' stipulation:

IT IS HEREBY ORDERED AND ADJUDGED that Plaintiffs Eleanor S. Dumdi and Edward M. Anderson are entitled to a general judgment against Defendants Rob Handy (also known as Robert Marc Handy), Peter Sorenson (also known as Charles Peter Sorenson) and Lane County Board of Commissioners, and judgment is hereby entered as follows:

1. Declaring that the Defendant Lane County Board of Commissioners violated public meetings laws as set forth in ORS 192.610 to 192.690 on or about December 8th and 9th, 2009 as provided in the Court's findings of fact and conclusions of law dated January 14th, 2011 and filed January 18th, 2011.

IT IS FURTHER HEREBY ORDERED AND ADJUDGED that Peter Sorenson and Rob Handy, individually, are hereby prohibited from violating ORS 192.610 – 192.690. This injunction shall remain in full force and effect until March 1, 2012.

STIPULATED GENERAL JUDGMENT - 1

GLEAVES SWEARINGEN POTTER & SCOTT LLP
PO Box 1147
Eugene, OR 97440
Office: (541) 686-8833 Fax: (541) 345-2034

Exhibit B
Page 5 of 10

IT IS FURTHER HEREBY ORDERED AND ADJUDGED that:

1. Plaintiffs are awarded a Money Judgment against the Lane County Board of Commissioners in the sum of \$350,000; and
2. Lane County is entitled to and is hereby awarded separate Money Judgments against Defendants Rob Handy and Peter Sorenson, individually, in the amount of \$20,000 each.

IT IS FURTHER HEREBY ORDERED AND ADJUDGED that all claims for and against Defendant Bill Fleenor are dismissed with prejudice and without fees or costs.

IT IS FURTHER HEREBY ORDERED AND ADJUDGED that Plaintiffs' claim in paragraph 35 of the Second Amended Complaint, contained in Count 3 of the First Claim for Relief which requests a judgment invalidating FY 2009-2010 Supplemental Budget #2, is dismissed with prejudice based on the Court's ruling on Defendants' Motion for Partial Summary Judgment.

IT IS FURTHER ORDERED AND ADJUDGED that except as provided herein, no party is awarded its attorneys fees and costs and all remaining claims and counterclaims are dismissed with prejudice and without fees and costs.

MONEY AWARD NO. 1

1. Names and addresses of all Judgment Creditors:

Eleanor S. Dumdi
29535 Dane Lane
Junction City, OR 97448

Edward M. Anderson
1054 Abbie Lane
Eugene, OR 97401

2. Name, address and phone number of the attorney or attorneys for Judgment Creditors are:

Frederick A. Batson
Gleaves Swearingen Potter &
Scott LLP
P. O. Box 1147
Eugene, OR 97440
(541) 686-8833

Nathan R. Rietmann
1270 Chemeketa Street NE
Salem, OR 97301
(503) 551-2740

3. Names and last known addresses of all Judgment Debtors:

Lane County
125 East 8th Avenue
Eugene, OR 97410

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///
///
///

STIPULATED GENERAL JUDGMENT - 2

GLEAVES SWEARINGEN POTTER & SCOTT LLP
PO Box 1147
Eugene, OR 97440
Office: (541) 686-8833 Fax: (541) 345-2034

4. Names of any attorney or attorneys for each Judgment Debtor are:

Pierre L. Robert
Lane County Office of Legal Counsel
125 East 8th Avenue
Eugene, OR 97401
Attorneys for Defendants Lane County Board of Commissioners
5. The name of any governmental body or person, other than the Judgment Creditors' attorney, who is entitled to any portion of a payment made on the judgment is: None
6. Principal Amount of Judgment: \$350,000 in favor of Plaintiffs and against Defendant Lane County.
7. Prejudgment simple interest: None
 - a. Accrued through: Not applicable
 - b. Per diem thereafter until date judgment is entered: Not applicable.
8. Post judgment simple interest at the rate of 9% per annum on the total judgment which consists of Number 6 above from the date judgment is entered until fully paid.
9. Attorney fees: Included in Number 6 above.
10. Costs: Included in Number 6 above.

MONEY AWARD NO. 2

1. Names and addresses of all Judgment Creditors:

Lane County, Oregon
125 East 8th Avenue
Eugene, OR 97401
2. Name, address and phone number of the attorney or attorneys for Judgment Creditors are:

Pierre L. Robert
Lane County Office of Legal Counsel
125 East 8th Avenue
Eugene, OR 97401
(541) 682-4442

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///
///
///
///

STIPULATED GENERAL JUDGMENT - 3

GLEAVES SWEARINGEN POTTER & SCOTT LLP
PO Box 1147
Eugene, OR 97440
Office: (541) 686-8833 Fax: (541) 345-2034

3. Names and last known addresses of all Judgment Debtors:

Rob Handy (aka Robert Marc Handy)
455-1/2 River Road
Eugene, OR 97404
Date of birth: XX/XX/57
Social Security No.: XXX-XX-__ or Taxpayer I.D. No. (unknown)
Driver's License No.: XXX1444 (Oregon)

4. Names of any attorney or attorneys for each Judgment Debtor are:

Jens Schmidt
Harrang, Long, Gary, Rudnick, P.C.
360 East 10th Avenue, Suite 300
Eugene, OR 97401-3273
Attorneys for Defendants Rob Handy

5. The name of any governmental body or person, other than the Judgment Creditors' attorney, who is entitled to any portion of a payment made on the judgment is: None

6. Principal Amount of Judgment: \$20,000 in favor of Defendant Lane County and against Defendant Rob Handy (Robert Marc Handy).

7. Prejudgment simple interest: None

a. Accrued through: Not applicable

b. Per diem thereafter until date judgment is entered: Not applicable.

8. Post judgment simple interest: None.

9. Attorney fees: Included in Number 6 above.

10. Costs: Included in Number 6 above.

MONEY AWARD NO. 3

1. Names and addresses of all Judgment Creditors:

Lane County, Oregon
125 East 8th Avenue
Eugene, OR 97401

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///
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STIPULATED GENERAL JUDGMENT - 4

GLEAVES SWEARINGEN POTTER & SCOTT LLP
PO Box 1147
Eugene, OR 97440
Office: (541) 686-8833 Fax: (541) 345-2034

2. Name, address and phone number of the attorney or attorneys for Judgment Creditors are:

Pierre L. Robert
Lane County Office of Legal Counsel
125 East 8th Avenue
Eugene, OR 97401
(541) 682-4442

3. Names and last known addresses of all Judgment Debtors:

Peter Sorenson (aka Charles Peter Sorenson)
2848 Friendly Street
Eugene, OR 97405
Date of birth: XX-XX-51
Social Security No.: XXX-XX-__ or Taxpayer I.D. No. (unknown)
Driver's License No. XXX3556 (Oregon)

4. Names of any attorney or attorneys for each Judgment Debtor are:

Jens Schmidt
Harrang, Long, Gary, Rudnick, P.C.
360 East 10th Avenue, Suite 300
Eugene, OR 97401-3273
Attorneys for Defendants Peter Sorenson

5. The name of any governmental body or person, other than the Judgment Creditors' attorney, who is entitled to any portion of a payment made on the judgment is: None

6. Principal Amount of Judgment: \$20,000 in favor of Defendant Lane County against Defendant Peter Sorenson (Charles Peter Sorenson).

7. Prejudgment simple interest: None

- a. Accrued through: Not applicable
b. Per diem thereafter until date judgment is entered: Not applicable.

8. Post judgment simple interest: None.

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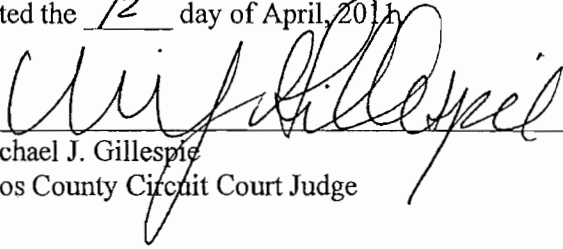
STIPULATED GENERAL JUDGMENT - 5

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9. Attorney fees: Included in Number 6 above.

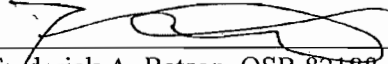
10. Costs: Included in Number 6 above.

Dated the 12th day of April, 2011

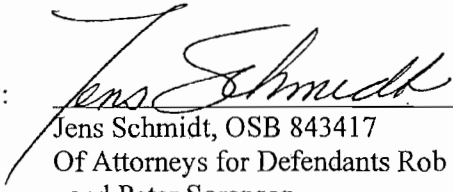

Michael J. Gillespie
Coos County Circuit Court Judge

IT IS SO STIPULATED:

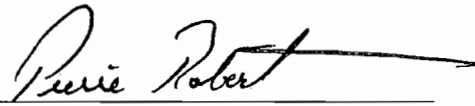
GLEAVES SWEARINGEN POTTER &
SCOTT LLP

By: 
Frederick A. Batson, OSB 82188
Of Attorneys for Plaintiffs

HARRANG LONG GARY RUDNICK P.C.

By: 
Jens Schmidt, OSB 843417
Of Attorneys for Defendants Rob Handy
and Peter Sorenson

LANE COUNTY OFFICE OF LEGAL
COUNSEL

By: 
Pierre L. Robert, OSB 921238
Of Attorneys for Lane County and
Bill Fleenor

STIPULATED GENERAL JUDGMENT - 6

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